

Gary Schaffrick
515-14 Emmett Street
Bristol, Connecticut 06010-8211

Re; SB411

Mr. Chairman and members of the Committee:

My name is Gary Schaffrick and I reside at 515-14 Emmett Street in Bristol.

I currently serve as chairman of the Board of Commissioners for the Bristol Housing Authority. I have been a member of the BHA for the past 15 years.

In addition to my duties on my local PHA, I serve on the Board of Directors for the New England Region of the National Association of Housing and Redevelopment Officials (NAHRO) and I serve on the National Members Services Committee. I am the National Chairman of the Marketing and Relationships subcommittee.

I am here today to speak in favor of SB411 – AAC Allowing Rent Payments to Housing Authorities to be considered when calculating Individual Credit Scores.

At the NAHRO Summer Conference in Austin Texas last year, I as well as fellow Commissioner from BHA attended a workshop on this issue. To say it was enlightening is an understatement.

The concept of allowing rental payments for public housing residents to be reported to the major credit bureaus is relatively new. However, the idea is not without merit if the ultimate goal is to get people out of poverty.

Here are some thoughts:

The largest bill a public housing resident has is their rent payments. If they make their payment on time other than a thank you what do they get for it?

The hardest thing for a resident of public housing to get is credit – they usually don't have car payments nor do they have credit cards.

Allowing a rental payment to be reported for the vast majority of residents who make timely payments will allow them to develop a credit score.

This could help residents who thinking of becoming 1st time home buyers.

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This could help residents who need to purchase a car to get back and forth to work obtain a conventional loan and not have to go to the guy down the street advertising a buy here pay here \$50 a month program.

It would also help a tenant to secure another rent from a private landlord. Once he pulls there credit report he will see that they do pay the PHA on time.

Since this conference the Bristol Housing Authority, which is in a distressed city, has partnered with the Credit Builders Alliance (CBA) to begin the process of reporting our rental payments.

We would be more than happy to participate in this process with the Department of Housing.

The BHA has implemented a Section 8 homeownership program whereby several Section 8 residents have ended their participation in this program and became first time home buyers. Having a program that reports a tenant's rental payment will help more Section 8 families become qualified.

Lastly, HUD allows local PHA's to operate an FSS Program aka a Family Self Sufficiency program.

BHA has one and our goal is to integrate this process of reporting rental payments into our FSS program in order to help our residents further themselves and their families.

I hope that you will consider passage of this bill.